

Agenda Item: 9

Meeting Date: November 10, 2005

**CONSIDERATION OF A RESOLUTION RECOMMENDING THAT THE
DEPARTMENT OF FISH AND GAME PROCEED WITH AWARDING THE CALFED
BAY-DELTA PROGRAM'S ECOSYSTEM RESTORATION PROGRAM GRANTS**

Summary: This resolution recommends to the Department of Fish and Game that it proceed with awarding three CALFED Ecosystem Restoration Program grants to support the projects described in Attachment 1. The three grants total \$8,080,920.

Recommended Action: The Authority adopt the attached Resolution 05-11-02 recommending that the Department of Fish and Game proceed with awarding the CALFED Bay-Delta Program's Ecosystem Restoration Program Grants.

The Department of Fish and Game (DFG) proposes to fund three Ecosystem Restoration Program (ERP) grants: Llano Seco Ranch; Determination of Age Structure and Cohort Reconstruction of Central Valley Chinook Salmon Populations; and Lower Clear Creek Floodway Rehabilitation Project. The Water Security, Clean Drinking Water, Coastal and Beach Protection Act of 2002, Water Code Division 26.5, annotated (Proposition 50) specifies that the ERP implementing agencies may disburse funds through grants (79505.6 Water Code Division 26.5). DFG, in coordination with the California Bay-Delta Authority ERP staff, selected these proposals for funding because they achieve near- and long-term ERP objectives. Authority staff recommends that the Authority adopt the attached Resolution 05-11-02 recommending that DFG proceed with awarding the CALFED Bay-Delta Program's ERP Grants.

Attachment 1 describes each project and how it helps achieve ERP's goals. The full proposals are available at:

http://calwater.ca.gov/Programs/EcosystemRestoration/Ecosystem_Grants.asp

Fiscal Information

Funding Source: Proposition 50 CALFED Ecosystem Restoration Program Grant Funds

Term: Three years from awarding grant

Total Amount: \$8,080,920

List of Attachments

Attachment 1 – Ecosystem Restoration Project Descriptions
Resolution 05-11-02

Contact

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Ecosystem Restoration Program

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ECOSYSTEM RESTORATION PROJECT DESCRIPTIONS

Proposal Number: DFG-DA005-008

Applicant Organization: Wildlife Conservation Board

Proposal Title: *Llano Seco Ranch*

Recommended funding: \$2,570,000

Description: The Llano Seco Ranch, originally a Mexican land grant, is an 18,434-acre ranch in Butte and Glenn Counties. Since the early 1990's, all but 4,535 acres were sold in a combination of fee and easement to the U.S. Fish and Wildlife Service, the Department of Fish and Game, and The Nature Conservancy. Of the remaining 4,535 acres, funds are requested to purchase an agricultural conservation easement on 4,099 acres. The diverse grassland and riparian ecosystems on the proposed conservation easement area promotes a high level of ecological integrity and wildlife habitats. The ecological integrity is further enhanced by the protected status of the remaining portions of the ranch. The easement will protect approximately 1,870 acres of intensified agricultural land. Of the remaining acres, 1,715 acres are used for grazing and have never been deep ripped and about 700 acres are covered in lush riparian vegetation and sloughs, including grasslands, seasonal and perennial marsh habitats, Great Valley oak riparian forests, Great Valley mixed riparian forests, Great Valley cottonwood riparian forests and open water habitats.

Currently, the proposed easement area is under a Williamson Act contract, but there is no guarantee that it will remain so. The proposed easement area has the potential to be converted to non-agricultural uses in the near future. The proposed easement will ensure the protection and preservation of prime agricultural land, prevent the conversion of this land into non-agricultural uses (i.e., houses from the expanding Chico area), provide critical connectivity and species migration corridors between the rangeland and riparian forest and buffer the critical habitat from the intensive agricultural areas.

Protection of the lands within the proposed easement area is consistent with ERP goals for at risk species and habitat protection, restoration of ecological processes, and environmental water quality improvements. The project acreage is comprised of irrigated and non-irrigated cropland and grazing lands, and is defined as Agricultural Lands under the two Multi-Species Conservation Strategy 2000 categories: upland cropland and seasonally flooded agricultural land. The proposed easement is consistent with the Local Partnership Planning Process' Goal of Supporting a Working Landscape Approach, and the Selection of Habitat Restoration and Enhancement Projects that Minimize Impacts to Agricultural Lands.

The total project cost for purchasing the agricultural and conservation easement on the remaining 4,099 acres of the Llano Seco Ranch is \$6.5 million; matching funds will come from the Department of Conservation (\$1.93 million) and the Wildlife Conservation Board (\$2.0 million).

CEQA: The Department of Fish and Game (DFG) is the lead agency in issuing the grant funds. DFG has determined that its issuance of these funds qualifies for a "Class 6" categorical exemption (basic data collection, research, experimental management, and resource evaluation activities which do not result in a serious or major disturbance to an environmental resource") Title 14; Chapter 3; section 15306. DFG, prior to issuing these funds, will submit the necessary "Class 6" categorical exemption to the State Clearing House.

Proposal Number: DFG-DA005-003

Applicant Organization: California Department of Fish and Game

Proposal Title: *Determination of Age Structure and Cohort Reconstruction of Central Valley Chinook Salmon Populations*

Recommended funding: \$736,298

Description: Investigators from DFG and Pacific States Marine Fisheries Commission propose an extensive demographic study of Chinook salmon across 14 stocks in Central Valley rivers. Current management of Chinook salmon depends only upon metrics from two stocks (escapement) and assumed age structure is problematic for a species with complex age structure, overlapping generations, and demographic attributes which are likely to vary across many strains occurring in the Central Valley. This proposed demographic study will calculate a cohort replacement rate based upon estimates of juvenile abundance, ocean and river harvests, straying rates, and year-class assignment of spawners. Large samples of scales will be collected across stocks and hatchery and wild groups to permit run sizes to be accurately matched to stock-specific harvests and hatchery releases. The outcome of this project will be an accurate, coordinated database of the age structure of Chinook salmon, linked to databases with hatchery release, CWT recovery, and escapement data in a comprehensive Chinook salmon population data system.

This proposal was originally submitted to the Science Program PSP. The Science Program Selection Panel felt that this project was very important, and was unanimous in its opinion that funding the project through the Science Program PSP was inappropriate since it is essentially a baseline-monitoring project. The panel believed this project should be funded by CALFED's Ecosystem Restoration Program.

This project is listed as a primary activity in the Year 6 ERP Multi-Year Program Plan, and is consistent with ERP goals for at risk species protection and maintenance of harvestable species.

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Proposal Number: 2005-001DA

Applicant Organization: Western Shasta Resource Conservation District

Proposal Title: *Lower Clear Creek Floodway Rehabilitation Project*

Recommended funding: \$4,774,622

Description: The Lower Clear Creek Floodway Rehabilitation Project was initiated in 1998 to address impaired geomorphic, riparian, and salmonid habitat conditions on Clear Creek along the 1.8 mile reach degraded by historic gravel mining. Mining destroyed the natural channel and floodplain morphology, removed large volumes of sediment, exposed the underlying clay hardpan, and created ponds that strand adult and juvenile salmonids. A three phase project, with phase 3 broken into three components, phases 1, 2A, 2B, and 3A have been funded through multiple agencies and completed. Originally this was a three phase project, funded through multiple agencies. Phases 1 and 2 are complete; the third phase was broken into three components, only one of which has been completed. This proposal requests funding to complete the next and most critical phase, Phase 3B, which will reconstruct the bankfull channel contiguous with floodplain surfaces restored in previous phases, and stabilize a headcut. The timing for this phase is important as a channel incision through an old gravel pit below previously implemented restoration phases (Phase 2 and 3A) created a significant headcut that is threatening to undo or damage existing project investments. The removal of Saeltzer Dam and extensive gravel injections at numerous sites upstream from the floodplain restoration project are recreating sediment transport processes that will ultimately lead to stability of the lower reaches, once the headcut threatening Phase 2 is eliminated, and an appropriately sized channel is constructed.

The overarching goal for Lower Clear Creek is to re-establish critical ecological functions, processes, and characteristics, within contemporary regulated flow and sediment conditions, that best promote recovery and maintenance of resilient, naturally reproducing salmonid populations and the river's native riparian communities. This is consistent with CVPIA priorities and ERP goals for recovery of at risk species, habitat protection, and restoration of ecological processes.

CEQA: The US Bureau of Reclamation, the Bureau of Land Management, and the Western Shasta Resource Conservation District are co-lead agencies. A joint Proposed Mitigated Negative Declaration/Finding of No Significant Impact and Initial Study/Environmental Assessment for the Lower Clear Creek Floodway Rehabilitation

Project (IS/EA) was submitted in September 1999. The IS/EA encompassed all project boundaries and identified all potentially significant impacts associated with the proposed Phase 3 project with the exception of the 3A borrow area. An updated and expanded wetlands delineation of the project area is being completed and a biological assessment will be completed by federal lead agencies to meet the requirements of the federal Endangered Species Act (ESA). In addition to environmental compliance documents, numerous permits are required for the project.



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Meeting Dates: November 10, 2005

RESOLUTION 05-11-02

RECOMMENDING THAT THE DEPARTMENT OF FISH AND GAME PROCEED WITH AWARDING THE CALFED BAY-DELTA PROGRAM'S ECOSYSTEM RESTORATION PROGRAM GRANTS

WHEREAS, the Ecosystem Restoration Program presents a comprehensive vision for improving and increasing aquatic and terrestrial habitats and improving ecological functions in the Bay-Delta ecosystem; and

WHEREAS, those State and Federal agencies with CALFED Program restoration funds have coordinated their efforts to solicit for, and select, the best projects to implement the Ecosystem Restoration Program, with assistance of the staff from the California Bay-Delta Authority; and

WHEREAS, the Department of Fish and Game has received an appropriation of Proposition 50 Bay-Delta Ecosystem Restoration Account funds in its Fiscal Year 2004/2005 Budget which has been reappropriated in 2005/2006; and

WHEREAS, the Department of Fish and Game may distribute funds through grants; and

WHEREAS, the three proposals listed in Attachment 1 constitute eligible projects for purposes of receiving Proposition 50 Bay-Delta Ecosystem Restoration Account funds; and

WHEREAS, the three proposals listed in Attachment 1 currently meet the objectives of the CALFED Program; and

WHEREAS, approval of these three grant proposals shall be conditioned upon each grantee complying with all applicable laws and regulations;

NOW, THEREFORE, BE IT RESOLVED that the California Bay-Delta Authority supports the recommendation that the Department of Fish and Game fund three CALFED Ecosystem Restoration Program Grants in the amount of up to \$8,080,920.

CERTIFICATION

The undersigned Assistant to the California Bay-Delta Authority does hereby certify that the foregoing is a full, true, and correct copy of a resolution duly and regularly adopted at a meeting of the Authority held on November 10, 2005.

Dated: _____

Assistant to the California Bay-Delta Authority

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